

DIVISION OF PUBLIC UTILITIES & CARRIERS Legal Section 89 Jefferson Boulevard Warwick, Rhode Island 02888 (401) 941-4500 (401) 941-9207 - Fax

February 19, 2021

Luly Massaro, Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02889

Re: Docket 5047 Town of Barrington Community Choice Electricity Aggregation Plan & Docket 5062 Town of South Kingstown Community Choice Electricity Aggregation Plan

Dear Ms. Massaro,

Now comes the Division of Public Utilities and Carriers ("Division") and herby provides the following response to the questions posed by the Commission in the revised Procedural Schedule issued on February 2, 2021.

The Division had telephone conferences with both Narragansett Electric Company d/b/a National Grid ("NGrid") on February 8, 2021 and Good Energy, L.P. ("Good") on February 9, 2021 to discuss the impact of Central Falls' and related aggregation petitions of the Town of Barrington, Town of South Kingstown, and City of Providence. The Division's has concluded after conferring with the parties that its recommendations filed in each of these dockets remains unchanged.<sup>1</sup>

Pursuant to R.I. Gen. Laws § 39-2-1, a LIHEAP-Eligible customer who seeks and receives an Arrearage Management Plan (AMP) to avoid termination of "utility service" and meets certain specified requirements is entitled to have his/her "outstanding account balance . . . forgiven" up to a certain specified amount per year. Unless NGrid possesses a right to collect on a customer's "outstanding account balance" (*i.e.*, a receivable to NGrid), the Division does not believe that NGrid can forgive the balance as the statute directs as some or all of the balance is owed to another entity.

<sup>&</sup>lt;sup>1</sup> In the original filing, the term "LIHEAP-eligible customer" should be substituted for the term "Very Low Income Customer."

The Revised Electric Service Agreement ("Revised ESA") that was filed on December 22, 2020, in pertinent part, provides that if "a customer does not pay the bill by the due date, Supplier may terminate supply service after giving Customer a minimum of fourteen (14) days written notice. Upon termination of service, Customer will be returned to Last Resort Service, or they may choose another competitive supplier. Customer will remain responsible for all electricity used during participation in the program until such time as this Contract expires." *Revised ESA, Article 4.2.* The revised ESA further provides that, "[a]ny customer participating in the program at the A-60 rate class shall not be subject to collections activity either by Supplier or a Third-Party for arrears that may be due after supply service has been terminated." *Revised ESA 4.3*.

These provisions will eliminate the concern that LIHEAP customers may be subject to collection activities for supply service obligations after their return to Last Resort Service. Due to the particular language and interpretation of R.I. Gen. Laws § 39-2-1 discussed above, the ESA provisions, however, do not alleviate the concerns that such customers, while on competitive supply service, will be unable to obtain an AMP Plan to avoid termination of utility service or will be unable to enter into budget billing plans.

NGrid has indicated to the Division that if LIHEAP customers are separately billed for delivery and supply service, they may obtain an AMP Plan for the delivery portion of their account. The revised ESA, however, does not contain a provision that allows for the separate billing of supply and delivery service, and Good has indicated to the Division that suppliers are unwilling to bill for supply service separately as they do not have the billing and collection infrastructure in place to undertake those activities.

Wherefore, subject to the recommendations and concerns contained its letter dated October 1, 2020 that was filed with the Commission, the Division continues to recommend approval of the Town of Barrington and Town of South Kingstown Community Electric Aggregation Plans as they satisfy the requirements of R.I. Gen. Laws § 39-3-1.2.

If you should have any further questions, please feel free to contact me.

Very truly yours,

Jon G. Hagopian

Deputy Chief of Legal Services

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